FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 239 *11 December 1979*

BOLIVIA

COB Holds 24-Hour General Strike in Support of Peasants C 1
Report on Strike Situation C 1
Peasants To Discontinue Blockades, Measures of Force C 1
Minister Sent To Resolve Blockade of International Train C 2
Government Says Foreign Debt Must Be Renegotiated C 2

BRAZIL

Operations Involving Foreign Currency Suspended D 1
Central Bank Announces 30-Percent Devaluation D 1
President Announces Anti-Inflation Measures D 1
Mexico Interested in Purchasing Local War Materiel D 6

VENEZUELA

Foreign Minister Views Oil Policy, Regional Integration L 1
OPEC's Ortiz Discusses Price Hike, Production Curbs L 3

CENTRAL AMERICA

COSTA RICA

President Carazo Meets With Nicaraguan Junta Leaders P 1

EL SALVADOR

San Salvador Demonstration Results in Violence P 1
Three Killed by BPR P 2
ANEP Warns of Threat by 'Extremist Groups' P 3
[LA PRENSA GRAFICA 3 Dec]
Monsignor Romero Condemns Clandestine Groups, Ultraright P 4
Peoples Army Leader Goes Underground P 5

GUATEMALA

Nicaragua's D'Escoto Arrives for Talks P 5
Ministers Disagree on Possibility of 'Black December' P 6

HONDURAS

President Will Receive Nicaraguan Foreign Minister D'Escoto P 7
Labor, Peasant Groups Demand Dismissal of Labor Minister P 8
Government Releases Imprisoned Peasants P 8

NICARAGUA

LA PRENSA Reports Border With Honduras Closed P 9
Funeral Held For Soldier Killed in Honduran Border Incident P 9
Travel to Guatemala Prohibited Indefinately P 10
Libyan Delegation Arrives, Meets Leaders P 10
PLO Delegation Brings Solidarity Message From 'Arafat P 10
Cuba Offers Technical Assistance in Forensic Medicine P 11
Cardenal Will Resign if Rest of Cabinet Does P 11
Sandinists Create Special Force To Fight Crimewave P 12

CUBA

CPSU Delegation's Activities, Departure Reported Q 1
Arrives in Cienfuegos Q 1
Visits Santiago de Cuba Q 1
Meets With Fidel [INA] Q 1
Delegation Departs Q 1
Machado Meets With Czechoslovak Party Delegation Q 2
Iraqi Trade Minister Opens Intergovernmental Talks Q 2
Meets With Fidel [INA] Q 2
Talks With Fernandez Font Q 2
Iraqi Party Delegation Visited 3-6 December Q 2
1980 Trade Protocol Signed With Spain Q 3
No Sugar Purchases Q 3
Briefs: Guinea-Bissau Students; Hungarian Radio Cooperation Q 3

OTHER COUNTRIES

CHILE

All Government Under Secretaries To Offer Resignations V 1
Workers Arrested While Seeking Asylum Released V 1
Oil-Supply, Other Agreements Signed With Egypt V 1

PARAGUAY

EL PUEBLO Assails Detention of Laino, Gonsalez Del Valle [6 Dec] V 1

PERU

Economy Ministry, Other Workers Conduct Strikes V 2

COB HOLDS 24-HOUR GENERAL STRIKE IN SUPPORT OF PEASANTS

FY101301 La Paz Radio Panamericana Network in Spanish 1130 GMT 10 Dec 79 FY

[Excerpts] All the activities of the groups affiliated with the Bolivian Labor Central, COB, have been suspended as of 0000 today due to the 24-hour strike ordered by the COB in support to the just claims of the peasants. The national peasant congress will meet at 1000 today in response to the call made by the Bolivian Single Peasant Confederation to study the economic situation. The national congress will be attended by delegates from all the peasant organizations of the country to thoroughly study the effects of the recent economic measures ordered by the government.

Report on Strike Situation

FY101619 Paris AFP in Spanish 1426 GMT 10 Dec 79 FY

[By Eduardo Perez Iribarne]

[Excerpts] La Paz, 10 Dec (AFP)--The Bolivian Labor Central (COB) ordered a new general strike for today, while the national businessmen's confederation declared a state of emergency and indicated that it will not pay salaries for the days not worked. President Lidia Gueiler today reiterated her criticisms of the COB by pointing out that "the 24-hour general strike will cause serious economic harm to the country" and rejected the possibility of any changes in her cabinet.

Despite the COB strike, bus drivers who had been on strike for 4 days due to a lack of security guarantees resumed their work of transporting passengers. The strike coincides with a general shortage of food, particularly meat, in the markets of this city of 800,000 people. Roadblocks still continue despite the union decision to lift them, because thousands of peasants persist today in their position demanding beneficial economic measures from the government in the wake of 25-percent monetary devaluation and the approved "economic package."

The commander of the army, Gen Ruben Rocha, emphasized today in an official speech that "the armed forces must be prepared to consolidate democracy."

Bolivian airports were closed to traffic due to the 24-hour strike ordered by the COB, and only emergency services were working. Internal flights, railroad service and highway transport were also halted, although public transportation in the cities is operating. Experts estimated that the losses resulting from today's strike will be about $15,000,000.

The COB authorized the work of journalists, printers and radio workers in order "to keep the people informed on the events taking place in the country." It was reported in La Paz, however, that the solution to the political and economic crisis seems near despite the COB strike, because the government has the full support of the armed forces.

PEASANTS TO DISCONTINUE BLOCKADES, MEASURES OF FORCE

FY110247 La Paz Radio Panamericana Network in Spanish 0000 GMT 11 Dec 79 FY

[Excerpt] The national meeting of peasant workers held today and attended by all national representatives decided to suspend all roadblocks and other measures of force. This information was released by the secretary general of the Single Confederation of Bolivian Peasant Workers, Genaro Flores.

He said that the Bolivian Labor Central and the peasants reached a satisfactory agreement. The agreement includes special missions which will explain to the peasants the decisions of their trade union so they can immediately begin shipping their products to the cities.

Genaro Flores announced that as of tomorrow all products will be sent to the centers of consumption to supply the domestic market with all the necessary foodstuffs. He said that this will be possible because the peasants will be briefed in their very homes about the agreements reached with the government to prevent the current economic situation from stifling the peasants. Genaro Flores said that the supply of foodstuffs will be made directly from producers to consumers through three set markets: for the Altiplano, the valley and the tropical zone, precluding the intervention of intermediaries and middlemen at all costs.

MINISTER SENT TO RESOLVE BLOCKADE OF INTERNATIONAL TRAIN

FY110249 La Paz Radio Panamericana Network in Spanish 0000 GMT 11 Dec 79 FY

[Text] Interior Ministry Under Secretary Carlos Fernandez traveled to Oruro tonight to resolve the blockade which is holding up an international railroad convoy from Argentina. The train was stopped in the city of Oruro by peasants and miners of this district in protest over the economic measures implemented by the interim constitutional government. The under secretary of the interior is traveling on express orders from interim constitutional President Lidia Gueiler Tejada, who voiced considerable concern over the events which are still taking place throughout the country, specifically the road blockades which have not been lifted despite the agreement reached between the government and the Single Confederation of Bolivian Peasant Workers. We repeat, the under secretary of the interior tonight will solve the blockade in Oruro which is holding up the international train from Argentina.

GOVERNMENT SAYS FOREIGN DEBT MUST BE RENEGOTIATED

FY081305 La Paz Radio Panamericana Network in Spanish 1130 GMT 8 Dec 79 FY

[Text] If the government does not succeed in renegotiating the large foreign debt, the state will have to pay $271 million for amortization and interest this year. The situation is now becoming very difficult because at the present time the country is experiencing one of the most critical periods of its economic history and lacks funds to meet these obligations.

The problem would become still more serious for the country if the renegotiation of the foreign debt is not obtained because next year it would have to pay $300 million, a sum which represents a third of the general budget of the nation. By way of comparison, in 1974 the Bolivian state paid $78 million in amortization and interest on the foreign debt. This means that the state's obligations for this year and next have multiplied because of the amount of the foreign debt.

According to official reports, the government expects to overcome the present problems caused by the economic measures and then dedicate its attention to the serious problem of the foreign debt. The peasants have fortunately suspended their strike and after the highways are open it is expected that transport activities will become normal, and the government will then attack the problem of the burdensome and exaggerated foreign debt.

OPERATIONS INVOLVING FOREIGN CURRENCY SUSPENDED

PY070151 Paris AFP in Spanish 0105 GMT 7 Dec 79 PY

[Text] Rio de Janeiro, 6 Dec (AFP)--The Central Bank announced here tonight that it had suspended every exchange operation involving foreign currency until further notice. The terse official communique released today after the close of banking operations does not reveal the causes of the suspension, which will go into effect tomorrow, Friday. The announcement was made 48 hours after the 17th devaluation of Brazilian currency in 1979, which brought the total devaluation of the cruzeiro in 1979 to 56.69 percent.

CENTRAL BANK ANNOUNCES 30-PERCENT DEVALUATION

PY072325 Paris AFP in Spanish 2256 GMT 7 Dec 79 PY

[Text] Brasilia, 7 Dec (AFP)--The Brazilian Central Bank has announced here tonight the 18th devaluation of Brazilian currency in 1979--amounting to 30 percent--for next Monday. Brazilian currency has been devalued 86.69 percent this year.

PRESIDENT ANNOUNCES ANTI-INFLATION MEASURES

PY080101 Brasilia Domestic Service in Portuguese 2300 GMT 7 Dec 79 PY

[Speech to the nation delivered by Brazilian President Joao Figueiredo in Alvorada Palace in Brasilia on 7 December--recorded]

[Text] Brazilians, fellow countrymen of every Brazilian region: The very moment I assumed responsibility for the government it became quite clear to me that the desires of the Brazilian people for economic prosperity and social well-being could not be fulfilled without attacking, on a priority basis, the serious problem posed by inflation.

Rampant inflation is an insidious enemy which undermines social tranquillity and political stability. It attacks the very foundations of society since it discourages and distorts productive investments that create jobs. Instead, it unleashes pernicious pressures which cause international trade imbalances. On the one hand, inflation intensifies animosity and dissatisfaction in most sectors of society, and on the other, it endangers national sovereignty by placing the country in a state of dependency on international interests and pressures.

It is for this very reason that my government has assigned top priority to the fight against inflation. Although economic recession is completely out of the question, to avoid it and to meet the objectives of socioeconomic development we must stop inflation. It is within this context, with this objective, that I am now taking this opportunity to announce to the nation a package of important economic measures.

As we approach the end of 1979, I believe that we have had sufficient time to properly evaluate the seriousness of the problems we are facing under the present circumstances, which are undoubtedly for the most part consequences of the heavy recession which was unleashed in the developed countries in 1974 after the petroleum crisis.

I can sense that most sectors of Brazilian society agree that we must urgently take measures to change directions in the national economy. We must mobilize the nation to achieve recovery. We must mobilize all national sectors to defeat inflation, which is an enemy that disrupts order and social peace. We must have our businessmen devote their efforts, their ability and intelligence to bringing order to our international balance of payments.

We are announcing today a major readjustment in the money exchange rate which we should perhaps have enforced a few months ago if we had not been concerned earlier about the guaranteeing of a package of measures which may stimulate from now on more effective and reliable control over inflationary pressure.

Inflation is reaching us today in various, sinuous ways. The loss of agricultural harvests, especially cereal grains, in the past 3 years by itself generated heavy pressure for increasing food prices, in addition to reducing our export possibilities and forcing us to import food to meet domestic needs.

The federal budgetary limitations, in addition to the fact that the government had to provide support for the economies of many states and municipalities which were affected by rains, frosts and floods, forced us in turn to resort to monetary expansion to provide assistance in these calamities. At the same time, we had to adopt a scheme of subsidies for some essential products, such as wheat, meat, sugar, milk and other food items. Thus, in recent years the deficit of the public treasury, which is not shown in the federal budget, became seriously worse and has now reached unbearable proportions. Few people realize even today the difficulties which the government is facing to provide subsidies amounting to almost $1 billion per year.

On the other hand, distortions are caused by the aggravated imbalance in the funds of state enterprises, frequently resolved in an improper and inflationary manner through the obtaining of foreign financing. Finally, we have to face the untoward effects of the escalation of oil prices and imported inflation with repercussions which we cannot yet evaluate properly because of the heavy blow they inflicted and are still inflicting on the world economy. My government is trying to find the most appropriate answers possible to overcome these difficulties. The insufficient production of food and the decapitalization of agriculture we met with the courageous policy of rural credit and guaranteed minimum prices. A rational, just and equitable salary policy was enacted through Congress to insure productivity, not inflation, at the salary negotiating table. Still, this month we will give the same treatment to the salaries of civilian and military public servants. Public expenditures are being brought under control, at the same time that a rigorous control is being established on the investments of public enterprises, with the objective of curbing inflationary excesses and of subjecting the undertaking of new projects to the real availability of resources. I should now mention how we are going to meet the need to reduce oil imports through measures to make consumption more rational and the promotion of the use of alternative sources of energy, which are plentiful in this country.

The effort of the government economic policy is directed at solving the imbalance between the external and internal sectors, which has become more serious for the Brazilian economy in recent years. The initial emphasis was placed on actions to control inflation, which has reached excessively high levels, thus contributing to lessening the efficiency of the production system and increasing the social burden it imposes on the working class in particular.

Within the same context, a coherent, integrated program was established to control critical prices which, once the initial stage of corrective adjustment is overcome, will have to contribute to slowing down the inflationary pace, especially to reconcile price and wage adjustments.

Finally, discipline must be imposed in the financial system, through flexible interest rates and the reorganization of the open market, keepin in mind the principle that what reduces rates primarily reduces inflationary expectations. I want to announce now the initiation of a gradual program designed to reduce the mass of subsidized credits which are today far above the levels which could be justified to meet the nation's priority objectives, since, because of the large quantity involved in these subsidies, they are markedly jeopardizing the implementation of the monetary policy.

The objective of this new guideline is to break the rigidity of nominal interest rates, which have largely contributed to generating an accrued, exaggerated process of demand for subsidized resources that have been steadily stimulating inflationary expectations. Even in loans earmarked for agricultural expenditures and investments and for exports, the principle of periodic readjustments will be observed in proportion to the past monetary adjustment. Thus, we are preventing not only the risks and excesses of a growing accumulation of subsidized loans, but we are implicitly preventing the exacerbation of expectations to the extent that it will no longer be financially advantageous to speculate on future price increases.

In the case of agriculture, the elimination of subsidies will be undertaken gradually until the recovery of the sector yields greater productivity, always keeping in mind the need to maintain special treatment for small and medium-sized producers. No changes will be made within the context of the benefits already granted to the northern and northeastern regions until the results of the policy of distribution of income becomes clearly tangible.

The above reduction plan of direct and indirect subsidies will have a strong impact in terms of the deceleration of inflation and, what is equally important, without affecting the growth of the economy. Thus, the far-reaching gains stemming from an effective control of the monetary policy will overcome all contingent effects once price increases are based on financial costs and final prices. In the final analysis, the objective is to move toward eliminating artificially established prices which cause wasting of resources and create conditions for highly regressive distribution in the process of distribution of national income. The case of subsidized wheat used for forage can be mentioned for illustration purposes. We also intend to reverse the present situation in the next few years, since 80 percent of total domestic loans are now subsidized, and only 20 percent are freely negotiated in the market.

The review of subsidies will make it possible to gradually expand free credit, even creating objective conditions for the reduction of interest rates. Finally, it is important to understand that the reduction of public deficits, with the simultaneous expansion of free credit, is the key of the policy to combat inflation without a crisis of liquidity and therefore without recessive consequences. As can be seen, the government was determined to pave the way this year so that the inflationary trend can be reversed during 1980. The set of measures was adopted taking care not to resort to any expedient capable of contributing to a recession but, on the contrary, it shows a concern to exploit intelligently the degree of freedom existing in the Brazilian economy represented by the idle margins of the agricultural sector and some industrial sectors, as well as to facilitate the channels of access to the external market, which constitute the elements of harmonization between inflationary deceleration and economic growth. It becomes necessary to attack now, with the same objectivity, the causes of the process of external imbalance.

There is no doubt that the success of the policy of fighting inflation will implicitly contribute to the process of readjusting the balance of payments. It is, however, necessary that beyond the simple monetary aspect of that imbalance, we recognize that a large portion of the misadjustment of our external accounts reflects a change of structures with a permanent character associated with the radical increase in oil prices. These changes, which are unprecedented in their intensity and speed, deeply affected the relationship between import and export prices in all countries which depend on oil imports. These changes will have to be absorbed over the long term through the replacement of external energy sources with domestic alternatives, in response to the stimulus created by the changes in internal cost of different energy sources; and over the short and medium term, through economic policy measures that will finally adjust the internal levels of consumption and investment to the new reality of overall revenues that were abruptly reduced by the imposition of an external tax represented by the oil price increase. The Brazilian energy policy is a fundamental tool for correcting in the long term the external imbalance, to the extent that it indeed represents a profound change in our internal structure for production.

This change, which will steer the Brazilian economy in the coming years, is summed up in the possibility of exploiting a vast potential of natural resources whose economic viability is a direct consequence of the increase in oil prices. To accelerate this transformation, Brazil has been adopting a courageous policy of readjustment, at strictly realistic levels, of the prices of oil byproducts, by making their use more rational and creating profitable conditions for the expansion of the supply of national substitutes.

In addition to price incentives, we are consolidating and expanding fiscal and financial resources which are earmarked for priority programs, such as alcohol and coal, and we continue to make intensive efforts to prospect for new oil fields, to expand hydroelectric projects and to implement the nuclear program.

The strategy of diversifying our domestic sources of energy, in addition to directly and positively contributing to improving our trade balance, also offers a specific opportunity to expand and modernize the primary sector of the economy and to decisively increase its ability to absorb manpower and reduce the flow of migration toward large cities. Another important qualitative aspect of this strategy is the actual incorporation of the private sector into the energy sector, which marks a major step toward consolidating the market system, on which the Brazilian economy is based.

I also want to announce to the nation another significant change in the Brazilian Government's attitude in relation to the policy of research and exploration of petroleum in the country, which I intend to encourage with ample freedom in line with our effort to seek, through every possible means, energy sources which may replace imported fuels.

We must acknowledge, however, that despite all the exceptional conditions offered by the national economy, it will take a relatively long time to develop fully the alternate sources of energy. In this endeavor we must avail ourselves of every mechanism to adjust our foreign imbalances and to gradually eliminate our deficit through coherent transactions.

Some developed countries, like Japan and most of the European countries, were able to make their adjustments rather quickly through a deliberately caused recessive process which forced a reduction of imports and expansion of exports, having had since then lower economic growth rates. This formula is unacceptable for a country like Brazil, since its social burden would cause a rise--although temporarily--in the unemployment rate and a drop in the real income level of the people.

Furthermore, the reduction of investments would further slow down and make more painful the process of altering our energy policy for the purpose of reducing our foreign dependency. A gradual readjustment, which is the only viable alternative from both the social and political viewpoints, had to result in a relatively faster growth of our foreign debts.

What actually happened is that the rest of the world has financed a share of our consumption and investment, which we hesitated to eliminate immediately in the face of the reduction of our real income caused by the petroleum price increase. Precisely because we had access to those resources in the international market, Brazil has thus far overcome the most critical stages of the world crisis, having maintained its growth and creation of jobs at a pace outstripping the expansion of the work force.

In this line of thinking, accelerated external indebtedness is a strategic and legitimate alternative, although a temporary one, to be used while promoting the necessary adjustment in the trade balance, which cannot chronically remain in deficit. Our current problem is to insure the continuation of that gradual process of readjustment by creating the conditions to immediately maintain the inflow of resources to finance our deficit in current accounts and to seek equilibrium in our trade balance by the end of the coming year.

This way we will create the objective conditions for the smooth handling of our external debt. Within this perspective, we believe that the economic, social and political plan which imposes the urgent review of our rate of exchange is quite realistic. This devaluation does not mean the end of the policy of minidevaluations of the cruzeiro, which has been successfully applied since 1969. On the contrary, this review of our rate of exchange is intended to insure its continuation as soon as the external pressure represented by the change in the relation of prices has been definitely absorbed and our imports come into balance with our exports, which were hurt by the oil crisis.

At this point we are resuming the conventional policy of devaluation at short and irregular intervals, taking into account the difference between domestic and world inflation and always trying to insure an adequate level of profitability for the export sector and to simultaneously eliminate any artificial stimulus for imports. The change in our rate of exchange is in accordance with a policy of real pricing and, whenever possible, is intended to avoid the use of artificial means such as subsidies and incentives. With this new exchange rate we will eliminate fiscal incentives for exports represented by the fiscal credits granted by the IPI [finished goods tax] and ICM [tax on movement of merchandise]. In addition to simplifying relations between the state and the private sector, this measure will contribute to generating fiscal surpluses beginning next year. Therefore, this measure is quite consistent with prior measures taken to combat inflation.

On the other hand, the temporary impact of the devaluation of resources for imports will be minimized by the simultaneous elimination of the prior deposit requirements for imports and travel, as well as by the fact that through the recent readjustment of oil byproduct prices this variable has already been incorporated. This change will be especially beneficial for primary products, which, as is known, did not have fiscal benefits before and for which the devaluation represents a liquid increase of benefits. However, to prevent that portion of these benefits from being purely and simply transferred abroad because of an unnecessary price reduction, in spite of losses in international trade relations and foreign exchange revenues for the country, we have instituted an export tax on several primary products which can be sold in the domestic market.

This tax will be gradually eliminated. In addition to contributing to reducing public deficit, this income will eventually be used to solve special problems involving compensation for additional costs which cannot be shouldered by some private national companies.

The readjustment of the cruzeiro's foreign value was also urgently needed to reconcile the continuous action of the exchange policy and its function of absorbing domestic resources. As I said earlier, success in gradually adjusting our balance of payments will depend on our ability to maintain an adequate flow of foreign financial resources.

Finally, in view of the government's determination to bring our commercial debts to a point of equilibrium by the end of 1980 and the acknowledgement that the public sector is less vulnerable to variations of cost than the private sector, we will establish rigorous import restrictions for the federal government, the states, municipalities and state-owned enterprises.

As a basic guideline, we expect that imports by the public sector, including petroleum, in 1980 will be at least 20 percent lower than the face value of imports in 1979. This sharp cut of imports by the public sector will provide elbowroom to cover eventual fluctuations in petroleum costs, in addition to avoiding pressure which would be incompatible with the level of exports of the private sector.

I still have to mention a measure which will have a far-reaching significance for the nation's industry, that is, the long-desired ban on importing machinery and equipment which can be manufactured locally. Exemptions are recommended for cases in which national interests are at stake and to preserve priorities assigned to invesments in the areas of the superintendency for the development of the Amazon region and of the superintendency for the development of the northeast. We have determined that protection of national labor be basically done through import taxes. This will markedly simplify the large bureaucracy which used to be involved in the approval of important industrial projects. Also eliminated is the maze of laws, regulations and decrees issued pursuant to the previous system to grant privileges for imports.

This package of measures seeks to attack the basic causes of both inflation and the imbalances in our foreign trade. It is a courageous economic decision. All these measures are carefully framed within a context of gradual adjustments which will create conditions to maintain the process of economic growth. They also convey the determination to simplify the functioning of the Brazilian economy by making the business decisionmaking process less dependent on bureaucratic procedures and more oriented toward effectiveness and productivity.

Next year, with the effective control of the fiscal, monetary and foreign exchange policy and with an intelligent salary policy, which are only now well coordinated, new prospects for concrete results in the fight against inflation and in the reduction of the external deficit will be created. We are also consolidating clearly defined objectives in the agricultural, energy and export sectors--which are dynamic elements in the growth process--in a manner consistent with our aims of correcting internal and external imbalances.

What we now need is the understanding, patience and hard work of all Brazilians. Brazil has the potential of its natural resources, the vigor of its economy, the creativity of its businessmen, and the capacity of its labor force to overcome the difficulties of the moment and to build in the coming years a modern society, economically and politically open, in which the opportunities for social advance and improvement of the quality of life will be broadened. To meet this challenge, and with faith and confidence in God, I ask the cooperation of the entire Brazilian nation.

MEXICO INTERESTED IN PURCHASING LOCAL WAR MATERIEL

PY081642 Paris AFP in Spanish 2216 GMT 7 Dec 79 PY

[Text] Brasilia, 7 Dec (AFP)--Mexico is interested in knowing the scope of the Brazilian war materiel industry in order to eventually purchase Brazilian military equipment, it was reported here. This information was released by Jose Borjon, spokesman of the Mexican Embassy in this capital, while announcing that Gen Felix Galvan Lopez, Mexican secretary general of defense [title as received], will officially visit Brazil in March 1980. The spokesman termed Galvan's trip "a good will visit and a demonstration of confraternity between the armed forces of the two countries." During his stay in Brazil the Mexican military officer will visit Brazilian plants that manufacture war materiel to obtain information on the equipment produced here, its uses and prices, Borjon explained.

FOREIGN MINISTER VIEWS OIL POLICY, REGIONAL INTEGRATION

PA080228 Paris AFP in Spanish 1649 GMT 6 Dec 79 PA

[By Enrique Guzman]

[Text] Paris, 6 Dec (AFP)--Venezuelan Foreign Minister Jose Alberto Zambrano said here today that Venezuela depends on its black gold for its future development and that the new wealth in the Orinoco fields implies the possibility of obtaining 300,000 barrels a day during the coming decade. In an exclusive interview granted to AFP, Minister Zambrano analyzed the main problems in his country's petroleum policy and came out especially in favor of "Latin America's democratization" and of close regional cooperation between the Andean Pact and the EEC.

Zambrano granted his interview at the end of a tour of AFP's main offices and a lengthy meeting with President-Director Henri Pigeat. This was the Venezuelan minister's first official activity on the 2d day of his 3-day visit to France.

Petroleum Diplomacy

"President Luis Herrera Campins' regime gives great importance to the management of petroleum because we believe it is the fundamental tool for our development," Minister Zambrano said when asked about his country's new petroleum policy. "To our government, petroleum is not just another export which gets a good price and brings in foreign currency to be wisely or badly invested--that is not the problem." "Petroleum is the main tool of Venezuelan diplomacy to attain the country's development. This is the government's main petroleum philosophy. It must help us develop, and if need be it must become a tool allowing us to obtain technology, industrialization and the improvement of our agricultural production," he said. In this respect he insisted that Venezuela's interest is not production for production's sake; it must adjust its production to the requirements of the nation's development."

After saying that Venezuela strictly abides by its international agreements, the minister said his country has never used petroleum as a political instrument in the full sense of the term, and one of the country's main characteristics is the dependability of its deliveries.

Venezuela's need for development can be seen in the exploitation of the Orinoco bituminous region. This development has been postponed because the technology is particularly costly and requires special treatment if it is to become profitable, he explained. However, the minister explained that in spite of the conservation policy applied to the Venezuelan petroleum industry, it is in full expansion.

OPEC: Policy of Moderation

This expansion implies the possibility of obtaining 300,000 barrels a day from the Orinoco region. However, this project for the coming decade requires the necessary technology, he emphasized.

Regarding the coming OPEC conference in Caracas, the minister said Venezuela wants to become the standard-bearer of moderation, which has always been observed by our country. Venezuela, he explained, is aware of the problems created in developing countries by periodic increases in petroleum prices. This is precisely why Venezuela has sought formulas to soften the impact of price increases on these countries, he said. Speaking of a general policy on the matter, he said there are specific ways to solve the problem, such as the repositing of the $800-billion fund and the possible increase in this fund, the turning of this fund into an OPEC bank and the possibility of using it to overcome the effects of a deficit payments balance.

Venezuela has developed a special policy in this respect. It acts bilaterally through the Venezuelan investment fund, better known as the petroleum facility fund, especially favoring countries like ours linked geopolitically to the Caribbean area and Central America.

The minister said implementation involves formulas allowing these nations greater facilities in the payment of their commitments and in investment of credits for specific development projects. Our policy has been clearly channeled in this respect and also toward general North-South cooperation. Let us call it this because this term has been used in the North-South dialog, he said. We are convinced of the need to support developing countries like ours, he emphasized.

When asked about cooperation between the Andean Pact and the EEC, which the Venezuelan foreign minister is promoting in Paris, Zambrano said the Andean countries had made him their spokesman to propose the possibility of closer cooperation between the two groups. After last May's meeting of the Andean chiefs of state, called by the Venezuelan president, the regional pact began to show a political characteristic. This characteristic has had specific results, especially in the Nicaraguan and Bolivian cases, the minister emphasized, noting that in the economic aspect this new orientation tends to establish contacts with other economic groups such as the EEC, the United States, Brazil and Argentina, in order to establish solid cooperation.

We want a very broad and generic beginning of this cooperation, so that later we can establish specific aspects of this cooperation within a framework of equality, mutual respect and the acceptance of these principles by the two parties, he explained.

The fields of greater interest for possible Andean-European cooperation are especially related to technology, access to the EEC region for Andean manufactured products, credit facilities for development and for trade and development as a whole.

Diplomacy of Projection

The foreign minister also reviewed his government's Caribbean policy, in which he said Venezuela must exert its presence in the economic field as well as in political and military security, based on absolute respect for the other countries in the region. Venezuela cooperates actively with all countries in the region. It has excellent relations with all of them, including Cuba, he said.

Referring to the proposal presented by Venezuela at the OAS on a policy of projection--supported in the concept of subregions, which was criticized by some countries on the continent--the foreign minister said the policy will have very good results in Latin America. Our idea is that this policy should open a dialog between nations, allowing the solution of problems at the subregional level. We also believe this policy is essential to promote contacts, first among those who have greater affinity because of geopolitical circumstances uniting them, and then working toward general integration by means of contacts between the various subregions, the minister explained. This could be a speedier way to achieve integration, which also depends mainly on the political desire of the countries to promote it, he emphasized.

Latin American Democratization

We believe Argentina is in an excellent position with regard to integration. We, as members of the Andean Pact, have held a series of important talks with the Argentine foreign minister and have scheduled a visit to Buenos Aires to try to promote integration, he said. The minister said in conclusion that the Andean bloc will continue striving for Latin American democratization and said this is very important and mainly based on proposals made by the Venezuelan president.

Our president has always said one of the main objectives of his foreign policy is the institutionalization of freedom and democracy on the continent, with full respect for the principle of nonintervention and other principles included in relations between our countries, he said.

OPEC'S ORTIZ DISCUSSES PRICE HIKE, PRODUCTION CURBS

AU071400 Vienna Domestic Service in German 1100 GMT 7 Dec 79 AU

[Interview by Domestic Service correspondent Herbert Hutar with OPEC Secretary General Rene Ortiz; date and place not given--recorded]

[Text] [Question] Bad news for the industrial countries: Ten days before the beginning of the OPEC ministers' conference, a number of OPEC member countries have announced curbs in production. Do you think, Mr Secretary General, that OPEC's oil production will suffice to supply the industrialized world?

[Answer] I am positive in saying yes. If we think in terms of the production guidelines, OPEC will supply the actual needs, yes. OPEC tries to satisfy the actual demand for the industrial countries' needs. But I want to differentiate here between oil consumption and oil demand. Certainly there will not be enough oil to cover the demand of the industrial countries. We cannot at the same time pursue a policy that covers consumption and other forms of demand like stockpiling, stockpiling strategic reserves and so on. Stockpiling is manipulation and we cannot control that.

[Question] All the news points to a new rise in oil prices. Can you confirm that?

[Answer] If you take the market situation today, there is a tremendous difference between the price on the international oil markets and the official OPEC sales price. The difference goes as far as $12 per barrel, which means that the market is structurally altered. OPEC will have to take this into account in arriving at a decision. Naturally we will take the economic and financial situation of the industrial and the developing countries into account, but the main factor at present is the market. If you look at my graph, you will see that the explanation as to why market prices are much higher than our official prices in the ports lies with the industrial countries. We have produced more than they really need--this year 5.7 percent more than last. Their consumption, however, has risen by only 1 percent. The rest was for stockpiling. We cannot be held responsible; we expect the industrial countries to make an effort to reduce their consumption and thereby the demand. Then prices will also be shaped in a much more orderly way.

[Question] The surplus markets, the so-called spot markets, where oil is traded at high prices, now account for 15-20 percent of the world oil market. Some years ago it was 5 percent. The multinational oil companies now maintain that OPEC members, too, supply this market.

[Answer] That is an excellent question because I may explain to you that the spot markets existed even before OPEC emerged as an organization, and they are not in our ports. They are situated in the industrial countries--in Rotterdam, in New York and in Singapore. They are not under our control. The oil industry can be broken down into four main stages: production, transportation, refining and distribution. You see that OPEC can only control production; we only hold a 3-percent share in transportation, 7.5 percent in the refining industry, and zero percent in distribution and marketing. Thus, important stages are not in OPEC hands. Control lies with the multinational oil companies.

[Question] How do you see the influence of the political events in the Islamic world on OPEC production?

[Answer] As I mentioned to you, production is the concern of our member countries. The majority of them have reached their maximum capacity. Saudi Arabia has produced more than it needed in terms of income. Iraq has furnished its contribution, just as Algeria, Kuwait, and the United Arab Emirates have. This is an expression of good will by the producers to cover demand. I personally do not think that political events influence the organization's policy as such.

COSTA RICA

PRESIDENT CARAZO MEETS WITH NICARAGUAN JUNTA LEADERS

PA101751 Managua Domestic Service in Spanish 1300 GMT 10 Dec 79 PA

[Excerpts] Members of the revolutionary government discussed very important topics with President Carazo Odio in Costa Rica. Matters of mutual interest and benefit to the peoples of Nicaragua and Costa Rica were discussed and agreed upon by members of the Sandinist revolutionary government who visited that sister country last week.

Companeros Tomas Borge Martinez, revolutionary Commander Bayardo Arce Castano, guerrilla Commander Eden Pastora and Companero Alfonso Robelo, member of the Junta of the Government of National Reconstruction, arrived at Juan Santamaria Airport on Wednesday evening at approximately 1830. They were received by President Carazo Odio and members of his cabinet.

Upon leaving the Costa Rican plane that was sent to Nicaragua to bring the delegation to San Jose, Companero Tomas Borge said the group had come to strengthen the ties of friendship that link the Nicaraguan and Costa Rican peoples.

Eden Pastora, Commander Cero, who is very much at home in Costa Rica, said that Nicaragua is very grateful because sons of the Costa Rican people gave their lives for the liberation of Nicaragua.

On Thursday, the delegation had a formal meeting with President Carazo Odio, at which important decisions were reached regarding matters related to the strengthening of bilateral relations.

In summary, the following issues were discussed at the meeting: a joint agreement to propose, at the next meeting of the Central American Economy Ministers, the reform of the Common Market and reorganization of Central American customs tariffs; an agreement to take measures to avert incidents in border areas; Costa Rican support for efforts to have the United States grant Nicaragua $75 million in economic aid and a soft loan for an additional $60 million; the sending of Costa Rican teachers to Nicaragua on the basis of an agreement with UNESCO; delimitation of borders in the Atlantic and Pacific; the exchange of petroleum byproducts; (?cooperation) in inhibiting coffee rust; and assistance to the members of the Sandinist police in training police and immigration personnel.

EL SALVADOR

SAN SALVADOR DEMONSTRATION RESULTS IN VIOLENCE

PA110155 Paris AFP in Spanish 0056 GMT 11 Dec 79 PA

[Text] San Salvador, 10 Dec (AFP)--The Salvadoran Government junta has been harassed by the ultraleft since it assumed power on 15 October. Now it must face the business sector which today decided to go to the streets and demand the junta's resignation.

A march organized by a so-called propeace group took place on the streets of downtown San Salvador and demanded a return to order in the country. However, the march did not hide its anticommunist nature or its opposition to the incumbent Salvadoran rulers.

The march extended for some 10 blocks and was comprised mostly of women. It started at Cuzcatlan Park, east of the capital, and marched through the main streets until it reached the presidential palace.

In downtown San Salvador, groups of people identified as members of the Peoples Revolutionary Bloc (BPR) intercepted the marchers in an effort to break up the demonstration. Several vehicles were burned, there was looting and shots were fired into the air. So far, there have been no reports of dead or wounded.

The march continued, however, until it reached the presidential palace where it was met by the members of the governing junta. A meeting was organized during which several speakers asked the government to restore tranquility and eradicate the leftist principles which, in their opinion, are serving as government guidelines. "Let those who want communism go to Cuba," they shouted.

Guillermo Manuel Ungo and Colonels Adolfo Majano and Abdul Gutierrez came out on the terrace and expressed their gratitude for the presence of the Salvadoran women during this difficult time.

The members of the junta were interrupted several times--sometimes with applause, sometimes with boos. Colonel Majano could not end his address because the crowd was shouting "down with the junta."

The rally was organized with the support of the powerful National Association of Private Enterprise (ANEP), which ordered its affiliates to close factories and business establishments so their employees could attend the march. This marked the beginning of a campaign by the traditional Salvadoran sectors against a junta they consider excessively inclined toward the left, according to political circles here.

The BPR described the march as a demonstration by the oligarchy against the people's interests. Tension grew during the evening in San Salvador and there are fears of greater disturbances. The police remain quartered and they are not patrolling the streets.

Three Killed by BPR

PA110338 Paris AFP in Spanish 0257 GMT 11 Dec 79 PA

[Excerpts] San Salvador, 10 Dec (AFP)--Three people were killed and 25 others wounded this afternoon in San Salvador during a demonstration held by the National Association of Private Enterprise [ANEP]. ANEP had asked the government to confront the leftist groups with greater vigor. The demonstrations ended in a gunfight.

When the demonstration organized by the businessmen marched through the downtown area, members of the Peoples Revolutionary Bloc [BPR] opened fire on the tail end of the march, killing a child and two adults.

The Red Cross took the bodies to the Rosales Hospital while the army arrived with light tanks and armored cars to halt the disorders.

Meanwhile, another person was killed this afternoon in El Salvador when an illegal group opened fire on an army patrol near San Miguel, 135 km west of the capital. One soldier was killed and another was wounded during the fighting. It was not revealed whether the guerrillas suffered any casualties.

ANEP WARNS OF THREAT BY 'EXTREMIST GROUPS'

PA090336 San Salvador LA PRENSA GRAFICA in Spanish 3 Dec 79 pp 44, 45 PA

[Statement by the National Association of Private Enterprise in San Salvador 3 December]

[Text] This year, 15 October marked the beginning of a new political process in El Salvador. This opens the possibility of change for the country's critical situation. On this date the young military officers assumed the historic responsibility of taking over power in order to redirect the country along the paths of peace, prosperity and justice.

The armed forces' proclamation defined the ideological basis and the political justification of the insurrectional movement. Later, Decree No. 1 of the revolutionary junta declared that the political constitution of the republic was in effect to avoid the breakdown of juridical order needed to carry out normal government administrative duties. The first actions and statements of the revolutionary junta emphasized respect and enforcement of human rights, a peace based on social justice and speeding the nation's progress.

At the time, the National Association of Private Enterprise [ANEP] refrained from making any public statement, respecting a new regime that needed a certain amount of time to get organized and start its tasks without pressures of any kind.

In the 1 and 1/2 months since the establishment of the new government and after a careful analysis of the country's political, social and economic situation, ANEP states the following:

1. All public power stems from the people. Consequently, any de facto regime in which power is not a result of the expressed popular will as established in the law is and must be temporary. The leaders of the insurrectional movement have understood it this way and clearly expressed it in the armed forces proclamation.

2. The revolutionary junta is committed to comply with and enforce the constitution of the republic and is under an obligation to lead the country, in an orderly and peaceful manner, to hold elections in which the people will decide the kind of government they want--all of this through an electoral process in which the political parties will be able to present their platforms in an open way, using reason and not violence to obtain the support of the citizens.

3. The violence by the extremist groups is completely contrary to the goals of the government junta. The patriotic goals of the armed forces, called upon to watch over peace and tranquility in the country, are being betrayed by those whose expressed goal is to undermine the country's legal institutions, destroy the army and the government and establish a socialist and totalitarian regime.

The radical minorities are already in open insurrection and are the greatest obstacle to the postulates stated by the armed forces. As long as that action called "prolonged war," "combative struggle" and other expressions in the terrorist vocabulary continue in the face of the indifference of the authorities and the fear of the citizenry, any constructive effort will be impossible.

4. The Salvadoran managerial sector shares the opinion that the country needs a new juridical order devoid of blackmail, bribery and all other forms of corruption. These practices are contrary to the moral principles of the republic. The law must prevail in the administration of justice with an egalitarian sense and without any distinctions.

ANEP also expects the government to investigate and punish those who have abused power and those who have attacked the life, liberty, security and property of persons and enterprises, regardless of the authority they have or have had or the ideological pretext they are using to cover up for their criminal actions.

5. Moreover, free enterprise is aware of the need to make changes in the structure of our society which--without destroying the basis of the free economic system--benefit most of the people in the country. Salvadoran businessmen are ready to put their efforts and experience at the service of initiatives and solutions that contribute to a more just society in which increases in production benefit the majority.

6. Consequently, ANEP is willing to support a regime of national participation because the historic responsibility of the moment is too great for a group or faction to try to impose its viewpoints without listening to the opinion of other sectors expressed in a free and sensible way within the mutual respect that must exist between the rulers and the ruled--the basis for a true democratic system.

MONSIGNOR ROMERO CONDEMNS CLANDESTINE GROUPS, ULTRARIGHT

PA100323 Paris AFP in Spanish 1802 GMT 9 Dec 79 PA

[Text] San Salvador, 9 Dec (AFP)--San Salvador Archbishop Msgr Oscar Arnulfo Romero condemned here today both the clandestine groups which reject the government's call for the pacification of the country and the extreme right which is planning to mobilize the masses to oppose reforms proposed by the junta.

Monsignor Romero spoke to some 2,000 people during his usual homily of the 0800 mass held at the San Salvador cathedral. This mass has become over the past few months an indispensable point of reference for those interested in the country's political situation.

Monsignor Romero also criticized the crimes being committed by common criminals at the same rate as those by clandestine groups in this agitated country. He issued an appeal for this Black December, as certain persons who expect violence are calling this month, to be turned into a peaceful month because of the Christmas celebrations.

The archbishop also condemned the extreme right, accusing it of trying to mobilize the masses to oppose the government measures in a clear reference to a strike, announced by business sectors, which is scheduled for Monday.

Romero expressed support for the government in its attempts to maintain peace in the country and stressed that certain measures--such as the freezing of lands decreed this week to start the agrarian reform--are positive efforts for the redistribution of wealth in El Salvador. He also congratulated the special investigative commission, tasked with clarifying the fate of political prisoners and missing persons, for the work it has carried out so far. This commission has recommended the government try former Presidents Arturo Molina and Carlos Romero as well as other top officials for their possible responsibility in the disappearance and torture of political prisoners.

He said he hoped South African Ambassador Archibald Dunn will be released soon. Dunn has been in the hands of the Popular Liberation Forces (FPL) since 18 November. The FPL are demanding the publication of proclamations in 102 countries as a condition for Dunn's release.

Dunn's relatives and the Salvadoran and South African governments have kept a complete silence regarding the status of the negotiations.

The National Association of Private Enterprise has announced a stoppage at noon Monday as a protest against the government which they have accused of promoting communist reforms. The businessmen are opposed to any government attempt to implement the agrarian reform which has been already announced, as well as the planned nationalization of the banks and the foreign trade. The businessmen announced the closing of their factories and stores on Monday to give their workers a chance to attend a demonstration that will be staged tomorrow.

PEOPLES ARMY LEADER GOES UNDERGROUND

PA101505 Panama City ACAN in Spanish 1424 GMT 10 Dec 79 PA

[Text] San Salvador, 10 Dec (ACAN-EFE)--Salvadoran guerrilla Ana Guadalupe Martinez, a member of the Revolutionary Peoples Army (ERP) leadership, has announced she will return to clandestinity and will no longer appear in public as she had been doing in recent weeks.

"This is the last time I will appear in public. I must join the struggle," the guerrilla leader affirmed Friday in Santa Ana City, adding that the struggle continues in El Salvador.

Ana Guadalupe Martinez is the author of the autobiography "Clandestine Jails in El Salvador."

The National Guard released her and another guerrilla when the ERP demanded this in exchange for kidnaped industrialist Roberto Poma, who was already dead at the time as a result of the wounds he sustained during his abduction.

Six companions armed with modern weapons accompanied Martinez during one of her most recent appearances, which took place in the law school of the University of El Salvador. The ERP practically seized the university installations while she addressed thousands of people.

GUATEMALA

NICARAGUA'S D'ESCOTO ARRIVES FOR TALKS

PA072131 Panama City ACAN in Spanish 1823 GMT 7 Dec 79 PA

[Text] Guatemala City, 7 Dec (ACAN-EFE)--Nicaraguan Foreign Minister Miguel D'Escoto has arrived in Guatemala to "make good friends" and to seek grain.

This was deduced from the words of the Nicaraguan minister himself and from unofficial reports circulated, here today at the beginning of the visit, which will end this afternoon.

The matter of the grain Nicaragua urgently needs because of losses sustained during the war appears to be the basic reason for the visit.

D'Escoto was accompanied by engineers Jorge Gallejos and Pedro Blandon, officials in charge of grain supply in Nicaragua. They will meet here with officials of the National Agricultural Marketing Institute.

Guatemala will bring up with Minister D'Escoto the matter of the persons in asylum in the Guatemalan Embassy in Managua.

"Both countries recognize the right of asylum. Therefore we foresee no obstacles to a diplomatic negotiation," Guatemalan Foreign Minister Rafael Castillo Valdez said.

The Nicaraguan foreign minister said the revolution in his country is being consolidated, that the first moments of doubt and uncertainty have passed and, as reality is being confronted, the government is organizing with increasingly firm and sure steps.

D'Escoto added: "We want to be friends with everyone. I come to make good friends, as we wish to do throughout Central America, and to speak of our revolution, which is often misrepresented or distorted."

D'Escoto admitted that there are sporadic incidents of counterrevolutionary action, but said this is "logical when a country has been ruled by a regime like the one that was overthrown."

D'Escoto evaded a direct reply when asked if there is socialist influence in the present stage of the Nicaraguan revolution. He reiterated concepts such as "friendship with all." "We need and hope for aid from all those who wish to give it to us in order to recover from the enormous losses we suffered."

Finally, D'Escoto said he is still a priest. "I belong to the Maryknoll Order and I have been authorized by my superiors to participate in politics, but I am and will continue to be above all a priest," he said.

MINISTERS DISAGREE ON POSSIBILITY OF 'BLACK DECEMBER'

PA100250 Panama City ACAN in Spanish 1824 GMT 9 Dec 79 PA

[Text] Guatemala City, 9 Dec (ACAN-EFE)--The possibility of a "Black December" occurring in Guatemala today placed Government and Interior Minister Donaldo Alvarez Ruiz and National Defense Minister Gen Otto Spiegeler Noriega at odds.

In the opinion of the minister in charge of the domestic state security, "within the international plot against Guatemala to create a fertile climate for a violent change, which could generate a Black December for the nation." [sentence as received]

He clearly and directly accused several institutions, such as the Guatemalan Christian Democracy [DCG] and Amnesty International of being a part of this international plot. He pointed out that the most recent report of Amnesty International and its own interpellation at the congress called by the Christian Democrats is part of this activity against Guatemala.

In the opinion of Alvarez Ruiz, the people should be informed of the underlying danger of those who do not wish Christmas and New Year's to transpire in peace, so that "they will not allow themselves to be dragged by the enemies of democracy.

The DCG has already rejected these statements by Alvarez Ruiz and termed them "irresponsible and scarcely intelligent because they were unfounded, ill-intended and a dangerous accusation."

DCG Secretary General Vinicio Cerezo Arevalo pointed out, "In Guatemala, acts of violence have occurred that have never been explained and these were committed by groups of extremists which the Ministry of Interior is in position or control." He added, as basis for his rejection, "It is evident that in Guatemala, four of five assassinations occur daily for political reasons and these crimes always remain a mystery."

"This demonstrates," said Cerezo Arevalo, "that the minister's reply to our interpellation is crude and irresponsible and the ineffectiveness of the security corps in controlling clandestine groups." He also said this cannot be hidden from the eyes of the world through attempts against human rights. [sentence as received]

For his part, Minister of Defense Spiegeler Noriega stated in no uncertain terms that "in Guatemala, there will be no 'Black December' because the army is capable of rejecting any aggression whatever the source."

The defense minister admitted "there are definitely sectors interested in provoking situations of tension to create an institutional crisis, but we are also prepared and interested in combatting them."

The people, as is evident by their massive purchase of foodstuffs, find the statements of Minister Alvarez Ruiz the most believeable, although nobody dares foretell the future.

HONDURAS

PRESIDENT WILL RECEIVE NICARAGUAN FOREIGN MINISTER D'ESCOTO

PA102241 Panama City ACAN in Spanish 2130 GMT 10 Dec 79 PA

[Text] Tegucigalpa, 10 Dec (ACAN-EFE)--It has been officially announced here that Nicaraguan Foreign Minister Miguel D'Escoto will visit Honduras on Tuesday.

D'Escoto had scheduled his trip to Tegucigalpa for last Friday, but last-minute problems kept him in Guatemala. He also had to visit El Salvador. As soon as the delay was announced, arrangements were made to schedule the visit for Wednesday. He added that Brig Gen Policarpo Paz Garcia could probably not receive D'Escoto on that day either.

However, the press secretariat informed ACAN-EFE that General Paz Garcia had interrupted a vacation in the United States to receive D'Escoto tomorrow at the government house.

D'Escoto's visit to Honduras on Tuesday is very important because Honduras and Nicaraguan have experienced diplomatic and border incidents in recent months.

It is believed here that D'Escoto's visit will clear up many things and that the two countries will seek the normalization of their relations in the near future. The Managua and Tegucigalpa embassies are now functioning at the charge d'affaires level only. The two countries have recalled the rest of their diplomatic personnel following various incidents in which their ambassadors and other personnel had confrontations with police.

LABOR, PEASANT GROUPS DEMAND DISMISSAL OF LABOR MINISTER

PA101907 Panama City ACAN in Spanish 1654 GMT 10 Dec 79 PA

[Text] Tegucigalpa, 10 Dec (ACAN-EFE)--The main labor and peasant organizations in Honduras have announced that beginning today they will stage a series of strikes and antigovernment demonstrations until Labor Minister Adalberto Discua Rodriguez is removed.

The General Workers Central (CGT) and the Honduran Peasants National Association (ANACH) are calling for dismissal of the labor minister because they consider him to be "alienated from labor interests and conspiring with the most reactionary business sectors in the country."

Leaders of the CGT, which includes the combative National Union of Peasants (UNC), reported that the strikes will begin at meatpacking plants, sugar and banana plantations and in factories where the organization has affiliates.

Leaders of the powerful ANACH, which has a membership of 100,000 peasants, warned the military junta that acts of violence will begin in agricultural areas unless the organization's recently elected board of directors is recognized.

Santos Camilo Padilla, who was recently elected president of ANACH at a peasant convention but who has not been officially recognized, said that if his demands are not met large-scale occupations of government and private lands throughout the country will begin on 20 December.

"The only person to blame for the upcoming acts of violence will be Labor Minister Discua, who is playing with the peasants' interests," Padilla said. The peasants accuse the labor minister of having reinstated Reyes Rodriguez Arevalo as leader of ANACH after an assembly had rejected him as such and replaced him with Padilla.

Honduran business leaders have said they are prepared to fully support having the labor minister remain in his post.

GOVERNMENT RELEASES IMPRISONED PEASANTS

PA071814 Panama City ACAN in Spanish 1730 GMT 5 Dec 79 PA

[Text] Tegucigalpa, 6 Dec (ACAN-EFE)--As a result of strong pressure from the recently organized Peasant Unity Front, the Honduran military government today released several peasants who had been imprisoned under charges of invading private property.

Earlier this week, this peasant front also brought on the dismissal of National Agrarian Institute (INA) director Favio Salgado, whom they accused of being "corrupt" and connected with "obscure large landholding interests."

The country's three rural organizations, which comprise the Peasant Unity Front, are pressuring the military junta to hasten the agrarian reform process by expropriating thousands of hectares of land from large landowners.

The peasant front is also demanding that Lt Col Mario Maldonado Munoz, whom Juan Alberto Melgar Castro's government forced to resign, be appointed as INA director. Maldonado Munoz' removal delayed agrarian reform plans, which the military have defined as their "most important activity."

NICARAGUA

LA PRENSA REPORTS BORDER WITH HONDURAS CLOSED

PA101611 Panama City ACAN in Spanish 1540 GMT 10 Dec 79 PA

[Text] Managua, 10 Dec (ACAN-EFE)--The newspaper LA PRENSA reports today that the border between Nicaragua and Honduras has been closed as a result of shooting that occurred on Thursday night. According to reports received from peasants in northern Nicaragua, Las Manos border post was harassed by unidentified persons, and an exchange of fire lasted for 30 minutes. No casualties have been reported on either side.

LA PRENSA reports that after the shooting, an unidentified airplane flew over the length of the border. According to the same unofficial sources, El Espino border post and a Nicaraguan military post near the Pan American Highway were also attacked. No one can cross from Honduras to Nicaragua or vice versa, according to the news report, which has not been officially confirmed.

Diplomatic relations between Nicaragua and Honduras are virtually "frozen" as a result of various border and diplomatic incidents between the two countries in recent months. The embassies in Managua and Tegucigalpa are open but are manned only by charge d'affaires.

Nicaraguan Foreign Minister Miguel D'Escoto is scheduled to visit Honduras as part of his tour of Central American capitals. This visit is considered to be very important to future relations between Honduras and Nicaragua.

FUNERAL HELD FOR SOLDIER KILLED IN HONDURAN BORDER INCIDENT

PA072327 Managua Radio Sandino in Spanish 0300 GMT 6 Dec 79 PA

[Excerpt] The funeral ceremony for Companero Felix Pedro Ordonez Sarmiento [killed in a Honduran border incident] was held at Chinandega's 19 July Park at 1600 today. The people of Chinandega and their mass organizations were present to pay homage to the fallen companero. The people carried placards with slogans such as "the Honduran people are our brothers--the Somozist militarymen are our enemies"; "Companero Ordonez, your blood will help crush the counterrevolution"; and "the firm action of the people will smash the counterrevolution."

The representatives of the mass organizations spoke about the difficult times the Nicaraguan people have experienced throughout their history and the generous blood our youths continue to shed because idiots want to delay our revolutionary process. The speakers included Companero Manuel Salvatierra, member of the Sandinist National Liberation Front staff, Carlos Jose Zamora, political secretary of the departmental committee, Tomas Donaire of the municipal junta, Franco Montealegre of the Interior Ministry, Ricardo Ramirez of the Farmworkers Association, Alfonso Lacayo of the Sandinist Workers Central and Companera Maurin Santamaria of the 19 July Sandinist Youth.

TRAVEL TO GUATEMALA PROHIBITED INDEFINITELY

PA080246 Paris AFP in Spanish 2333 GMT 7 Dec 79 PA

[Text] Managua, 7 Dec (AFP)--The Sandinist government today forbade Nicaraguan nationals from traveling to Guatemala indefinitely, alleging that there is no security there for the citizens of its country.

The announcement was made during the visit of Nicaraguan Foreign Minister Miguel D'Escoto to Guatemala. D'Escoto is on a visit to all the Central American countries.

Although the prohibition is not absolute the advice is definite, according to Deputy Foreign Minister Alvaro Ramirez, who made the announcement. This is the first sign of friction between the Sandinist revolution and the Guatemalan military government.

Ramirez explained that two members of the same family, Olimpia and Aontonio Hernandez, disappeared in Guatemala 1 month ago. The deputy foreign minister added that Guillermo Gonzalez, also a Nicaraguan citizen, and a Guatemalan named Singea who was accompanying them disappeared along with the Hernandezes.

The diplomat pointed out that on various occasions Nicaragua has asked the Guatemalan Foreign Ministry to investigate these cases, but it has not received a satisfactory reply.

Aside from the measure announced here, Nicaraguans are fearful of traveling to Guatemala, where hundreds of former Somozist guardsmen took refuge following the Sandinist victory. Although it was not stated, it is believed that the Nicaraguans who disappeared in Guatemala could have been the victims of Somozists who are refugees in that country.

LIBYAN DELEGATION ARRIVES, MEETS LEADERS

PA072311 Panama City ACAN in Spanish 1951 GMT 7 Dec 79 PA

[Text] Managua, 7 Dec (ACAN-EFE)--Members of the Nicaraguan junta and of the Sandinist National Liberation Front last night met here with a delegation of the Libyan Arab People's Republic.

The delegation, headed by Mufpat Cherif, of the Foreign Ministry's General Administration Office, includes Ahmed Shabesha, Esswin Hakemi and Hadi Assais [all names as received], representatives of the Libyan Economy and Foreign Ministries.

A few hours after arriving in Managua the Libyan delegation met with Nicaraguan Government leaders to discuss possible Libyan aid for the reconstruction of Nicaragua. They also delivered a personal message from Libyan leader Mu'ammar al-Qadhdhafi.

PLO DELEGATION BRINGS SOLIDARITY MESSAGE FROM 'ARAFAT

PA080354 Panama City ACAN in Spanish 2333 GMT 7 Dec 79 PA

[Text] Managua, 7 Dec (ACAN-EFE)--Yasir 'Arafat, leader of the PLO, has sent a message of solidarity to the leaders of the Nicaraguan Sandinist revolution.

The message was conveyed to the Sandinist National Liberation Front (FSLN) National Directorate and the Nicaraguan Government junta by Halim Nasar, of Fatah, and Marwan Tahbud, a PLO representative who arrived here yesterday.

"Nicaragua used to be an enemy of our liberation movement under the Anastasio Somoza government, but now we are happy to come to free Nicaragua as brothers fighting in the same trench against the same enemy--imperialism," Nasar told newsmen here.

He added that the PLO is trying to strengthen relations with the Nicaraguan leaders through the exchange of visits, mutual communications and the discussion of common problems."

CUBA OFFERS TECHNICAL ASSISTANCE IN FORENSIC MEDICINE

PA080111 Managua Radio Sandino in Spanish 0300 GMT 6 Dec 79 PA

[Text] Dr Hernando Zuniga Montenegro, Nicaraguan Supreme Court judge, said on his return from Cuba today that Cuba has offered technical assistance for the creation of the Nicaraguan institute of forensic medicine. A project is being drafted to submit to the Nicaraguan National Reconstruction Government Junta. It will contain aspects of the Cuban experience adapted to our conditions, the judge said.

He added that his trip to Cuba was very important because we were able to expand our knowledge about the legal reforms the Nicaraguan revolution will have to undertake. He noted that the Cuban judicial police works in coordination with the Cuban Legal Medicine Institute. This permits the application of justice in a very modern framework.

The Supreme Court judges will hold a news conference when the second group of judges still in Havana returns.

CARDENAL WILL RESIGN IF REST OF CABINET DOES

PA072257 Paris AFP in Spanish 1827 GMT 6 Dec 79 PA

[Text] Paris, 6 Dec (AFP)--Nicaraguan Culture Minister Ernesto Cardenal said here today he had only press reports regarding the resignation of the Nicaraguan cabinet, but conceded that if all the ministers have resigned he will have to do the same when he returns to Managua.

He announced that the trials of the national guardsmen and a small percentage of Somozist civilians who are in prison--approximately 7,500 persons--will start this month to determine the degree of guilt or innocence of the crimes and abuses committed during the Somoza regime. However, it is well known that many of them are known criminals, he said.

In a news conference, the minister said his tour of Europe is aimed at requesting economic aid to carry out cultural and sports programs which concern his ministry. He noted that the French Culture Ministry has made an important contribution by taking over the construction of an amphitheater in the old sector of Managua. He praised Austrian Chancellor Bruno Kreisky for donating a children's library and noted that Nicaragua received several donations following his visits to the FRG, Switzerland and France. These donations will be used to carry out cultural programs in Nicaragua and particularly to purchase paper to print books. Cardenal said he made contact with several religious--Catholic and Protestant--organizations in the FRG and they promised to provide aid.

Asked about an old opinion of his that one could be both a revolutionary and a bishop and about the current relations between the Nicaraguan church and the Vatican, he said: Our country's church has excellent relations with the Vatican and also relations with the government junta.

Asked if the Sandinist front, which was helped by Costa Rica and Panama during its struggle against the Somoza regime, would help the revolutionary movements in Guatemala and El Salvador, Cardenal said: The Nicaraguan Government is not thinking of interfering in the internal affairs of other Latin American countries. However, he added, we cannot stop the example of the Nicaraguan people's struggle for liberation from going beyond our borders and inspiring liberation movements in neighboring nations.

Regarding the death of a Sandinist soldier Tuesday on the Honduran border in an incident involving Honduran soldiers and the probable reaction of the Nicaraguan Government, Cardenal said they want good relations with all countries, particularly their neighbors.

He noted that the Nicaraguan Government is engaged in negotiations to recover the properties of the Somoza family abroad, mainly what the Somozas have in the United States.

Cardenal will go to Spain tomorrow, where he will visit Barcelona to receive an important donation from the committee of solidarity with Nicaragua in that city. He will return to Managua Sunday.

SANDINISTS CREATE SPECIAL FORCE TO FIGHT CRIMEWAVE

PA081453 Paris AFP in Spanish 0052 GMT 8 Dec 79 PA

[Text] Managua, 7 Dec (AFP)--The Sandinist police announced here today that it has created a special force of 800 agents to stop the crimewave affecting the country, particularly this week.

Armed bands, some of them wearing military uniforms, have increased their criminal activities in the past few days. They have launched more than 20 attacks and have killed 2 people.

The crimewave hitting Managua results, in part, from the unemployment situation. It has been officially estimated that the unemployment rate is 34 percent. It is believed it could also be the result of the absence of a large number of Sandinist militiamen.

The criminals have even used fragmentation grenades during some attacks, and in most cases they have used weapons. The Sandinist police force has admitted it does not have the manpower to guard the city and has asked the people to care for their own security until the graduation of 800 new police agents next week.

Meanwhile, the Sandinist Army remains quartered today in connection with the La Griteria religious holiday in honor of the Virgin Mary. This holiday is celebrated with gunpower and fireworks.

The Sandinist Army has also reported that sabotage has affected some coffee plant machines in farms confiscated by the government.

Finally, it was reported here today that Howard Van der Clute, commander in chief of the Association of U.S. War Veterans, will head the delegation of former U.S. officers who will arrive in Nicaragua in a few days to observe the development of the Sandinist revolution.

CPSU DELEGATION'S ACTIVITIES, DEPARTURE REPORTED

Arrives in Cienfuegos

FL081319 Havana Domestic Service in Spanish 1100 GMT 8 Dec 79 FL

[Text] G.S. Pavlov, member of the CPSU Central Committee, chief of its Administration of Affairs and deputy to the USSR Supreme Soviet, has arrived in Cienfuegos on a friendly visit. Pavlov is in Cuba at the head of the CPSU Central Committee delegation at the invitation of the PCC Central Committee. The delegation has toured the installations of the tricontinental bulk sugar terminal which already has received the first deliveries of the current sugar harvest from the Melanio Hernandez sugar mill of Sancti Spiritus.

Visits Santiago de Cuba

FL081443 Havana Domestic Service in Spanish 1424 GMT 8 Dec 79 FL

[Excerpt] A CPSU Central Committee delegation headed by G.S. Pavlov, deputy to the USSR Supreme Soviet, is visiting the city of Santiago de Cuba. The delegation was welcomed at the Santiago de Cuba air terminal by Jose Ramon Balaguer, member of the party Central Committee and party first secretary in that province, and (Eugenio Bedrin), USSR consul general in the eastern provinces. During their stay in the cradle of the Cuban revolution, G.S. Pavlov and his delegation will visit places of historic and tourist interest in Santiago de Cuba.

Meets With Fidel

FL101137 Havana Domestic Service in Spanish 1100 GMT 10 Dec 79 FL

[Text] Commander in Chief Fidel Castro, first secretary of the PCC and president of the councils of State and Ministers, has held a friendly meeting with the CPSU Central Committee delegation headed by G.S. Pavlov, member of the CPSU Central Committee, chief of its Administration of Affairs and deputy to the USSR Supreme Soviet. During the meeting Fidel was interested in activities in our country of the visiting delegation which is here in response to an official invitation from the PCC Central Committee. The talks Commander in Chief Fidel Castro had with the guest G.S. Pavlov were also attended by Marlene A. Manasov, acting charge d'affaires of the USSR to Cuba, and PCC Central Committee officials.

Delegation Departs

FL101712 Havana Domestic Service in Spanish 1632 GMT 10 Dec 79 FL

[Text] Early this morning Jose Ramon Machado Ventura, member of the PCC Central Committee Politburo and Secretariat, bid farewell to G.S. Pavlov, member of the CPSU Central Committee and chief of its Administration of Affairs. During his stay in our country Pavlov was received by Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the councils of State and Ministers.

In addition army Gen Raul Castro, second secretary of the PCC, met with the Soviet delegation which included (P.C. Desousku), sector chief, and (Mikhail Kudachkin), official in the Cuba section of the CPSU Central Committee. The Soviet leader, who was here in response to an invitation from our party, toured the provinces of Santiago de Cuba, Cienfuegos and Matanzas.

MACHADO MEETS WITH CZECHOSLOVAK PARTY DELEGATION

FL071604 Havana Domestic Service in Spanish 1500 GMT 7 Dec 79 FL

[Text] Party Politburo member Jose Ramon Machado Ventura has received Karel Kovar, chief of the Political Organizational Department of the Czechoslovak Communist Party Central Committee, who heads a delegation that is visiting Cuba as part of the plan for exchange of experiences between the two parties. The meeting was conducted in a cordial and friendly atmosphere. Matters of interest concerning the two political parties were discussed. The delegation of the fraternal country earlier had visited Holguin and Camaguey provinces and held meetings with the party committees at the Jose Ramos Latour nickel plant, October Revolution KTP-1 sugarcane harvesters plant, University of Camaguey and Nuevitas thermoelectric plant.

IRAQI TRADE MINISTER OPENS INTERGOVERNMENTAL TALKS

FL080039 Havana Domestic Service in Spanish 0000 GMT 8 Dec 79 FL

[Text] The talks of the first session of the Cuban-Iraqi intergovernmental committee opened today in Havana City. The Cuban side is headed by Hector Rodriguez Llompart, member of the PCC Central Committee and minister-president of the State Committee for Economic Cooperation. The Iraqi side is headed by Hasan 'Ali al-Amiri, minister of trade and member of the Iraqi Ba'th Party regional command. The work agenda includes reviewing the cooperation program between the two countries.

Meets With Fidel

JN101416 Baghdad INA in Arabic 1355 GMT 10 Dec 79 JN

[Text] Havana, 10 December--Cuban President Dr Fidel Castro met here last night with Iraqi RCC member Hasan 'Ali al-Amiri, who is currently on an official visit to Cuba. The discussion during the meeting revolved around the relations between the two countries and international and Arab issues.

Talks With Fernandez Font

FL110138 Havana Domestic Television Service in Spanish 0100 GMT 11 Dec 79 FL

[Text] Hasan 'Ali al-Amiri, member of Iraq's Revolution Command Council and minister of foreign trade of that country, and the delegation that is accompanying him today visited the Foreign Trade Ministry where they were received by Marcelo Fernandez Font, minister of foreign trade and member of the party Central Committee. The Cuban and Iraqi ministers began talks for the expansion of trade relations between the two countries. Ricardo Cabrizas, vice minister of foreign trade; Amadeo Blanco, director of Foreign Trade Ministry commercial policy; and Ariel Carretero, Cuban ambassador to Iraq, were present.

IRAQI PARTY DELEGATION VISITED 3-6 DECEMBER

FL071554 Havana Domestic Service in Spanish 1500 GMT 7 Dec 79 FL

[Text] An Arab Socialist Ba'th Party of Iraq delegation led by Burhan ad-Din 'Abd ar-Rahman, member of the Revolution Command Council and of the Iraqi Ba'th Party regional command, visited our country from 3 to 6 December.

During its stay in Cuba, the delegation held official meetings with Communist Party of Cuba representatives headed by Politburo member Pedro Miret. Relations between the two political organizations were examined during the talks and an agreement was signed for the future expansion of such relations. The Iraqi delegation also met with party Politburo member Sergio del Valle and other members of the Central Committee. During their stay in Cuba, the visitors toured places of social and economic interest.

1980 TRADE PROTOCOL SIGNED WITH SPAIN

FL072056 Havana Domestic Service in Spanish 2003 GMT 7 Dec 79 FL

[Text] A trade protocol for 1980 between Cuba and Spain has been signed in Havana on the occasion of the visit to our country of Agustin Hidalgo de Quintana, Spanish under secretary of commerce and tourism. Cuban Vice Minister of Foreign Trade Ricardo Cabrizas signed the protocol along with Hidalgo de Quintana in the presence of Cuban Minister of Foreign Trade Marcelo Fernandez Font.

The status of trade between the two countries was examined at a meeting of the Cuban-Spanish joint commission. Such trade has exceeded $200 million in 1979. As a result of the meeting, Spain has offered to Cuba credit facilities which will help to expand bilateral trade.

No Sugar Purchases

FL080046 Havana Domestic Service in Spanish 0000 GMT 8 Dec 79 FL

[Excerpt] After the ceremony the Spanish under secretary of commerce and tourism told the press that his country will continue providing Cuba with transportation equipment and other hardware already agreed upon, and that in the coming year trade will increase through the sale of equipment for industrializing the citrus and hotel sectors. Mr Agustin Hidalgo also stated that due to surpluses in his country Spain will not buy sugar from Cuba in the coming year and that it will reduce its imports of nickel, tobacco, shellfish, fish and coffee. Commercially, Spain is the second most important country [for Cuba] in the capitalist area.

BRIEFS

GUINEA-BISSAU STUDENTS--Thirty children from Guinea-Bissau arrived in Cuba today for schooling, bringing to 74 the number of pupils from that country being educated on the Isle of Youth, 100 miles south of Havana. Official sources said they will share a school with children from Sao Tome and Principe, Cape Verde and Cuba. More than 10,000 pupils from Africa and Nicaragua are being educated at the Isle of Youth. Most of them are from Angola, Ethiopa, Mozambique, the Congo and Namibia. [Text] [Kingston Domestic Service in English 2030 GMT 10 Dec 79 FL]

HUNGARIAN RADIO COOPERATION--A protocol on technical cooperation in the field of radio broadcasting for the next 5-year period [1980-85] was signed this morning between Cuba and Hungary. The protocol calling for Hungarian cooperation for the development of Cuban radio broadcasting was signed by (Galos Hecknedas), director of radio in that European country. Conrado Zamora, vice president of the Cuban Radio and Television Institute, signed for Cuba. [Havana Domestic Television Service in Spanish 1800 GMT 8 Dec 79 FL]

CHILE

ALL GOVERNMENT UNDER SECRETARIES TO OFFER RESIGNATIONS

PY071510 Santiago Chile Domestic Service in Spanish 1000 GMT 7 Dec 79 PY

[Text] A government source reported yesterday that all under secretaries will submit their resignations to President Pinochet. The source added, however, that this is a customary end-of-the-year procedure to allow the president any possible future replacement of his close advisers. Moreover, the source denied press reports which stated that the president had requested these resignations in the last cabinet meeting.

WORKERS ARRESTED WHILE SEEKING ASYLUM RELEASED

PY061752 Buenos Aires LATIN in Spanish 1649 GMT 6 Dec 79 PY

[Excerpt] Santiago, Chile, 6 Dec (LATIN)--The two alleged members of the banned Movement of the Revolutionary Left (MIR) who tried to obtain asylum at the residence of the Canadian ambassador in Santiago have been released on orders of the Interior Ministry, according to information released here today. Sources of the Interior Ministry told the press that there were no grounds to try workers Reinaldo Mallea and Gustavo Cornejo because they had not violated the law on arms control and internal security of the state, and "an attempt to seek asylum is not a crime."

OIL-SUPPLY, OTHER AGREEMENTS SIGNED WITH EGYPT

PY081843 Santiago Chile Diplomatic Information Service in Spanish 0330 GMT 8 Dec 79 PY

[Text] According to conclusions reached during the second meeting of the joint Chilean-Egyptian commission which concluded today in the Foreign Ministry, Chile could have the possibility of buying petroleum directly from Egyptian enterprises. The final act was signed by the under secretary for foreign relations, Lt Col Ernesto Videla, and his Egyptian counterpart, (Salh Hassan). Both parties agreed that the supply of petroleum to Chile is feasible through direct sales by private Egyptian enterprises.

In the financial area, it was recommended that the talks continue through the respective central banks to confirm the offer of a line of credit from the Chilean institute for financing capital and durable goods of Chilean origin. Other relevant agreements include the creation of a chamber of commerce and a basic agreement for scientific cooperation at the university level and in other related organizations, as well as the encouragement of tourist exchange.

PARAGUAY

EL PUEBLO ASSAILS DETENTION OF LAINO, GONZALEZ DEL VALLE

PY061649 Asuncion EL PUEBLO in Spanish 6 Dec 79 PY

[Text] The image of Paraguayan "justice" is given in the cases of the secretary general of the Journalists Union of Paraguay (SPP), Alcibiades Gonzalez del Valle, and the opposition leader and member of the National Accord, Domingo Laino. In both cases, the absolute dependency of the judicial power on government political maneuvering is evident.

The contradictions and juridical horrors in both proceedings help, both nationally and internationally, to expose the dictatorial regime we are enduring.

Requests for their freedom and manifestations of solidarity keep coming. The visit of the secretary general of the Latin American Federation of Press Workers (FELATRAP), and the Brazilian state deputy and president of the professional journalists union of Sao Paulo, Fernando de Moraes, regard as news the arbitrary arrest of Gonzalez del Valle.

The concern expressed by the cardinal of Sao Paulo, Msgr Paulo Evaristo Arns, over the case of Laino and the detained journalist indicates public concern for these new detainees.

Several unions, including the Paraguayan Workers Confederation (CPT), have requested the freedom of the detained journalist, which shows the solidarity and pressure exerted against the arbitrariness of the regime and the firm will to struggle for basic rights such as the freedom of speech, which is considered subversive by the regime.

PERU

ECONOMY MINISTRY, OTHER WORKERS CONDUCT STRIKES

PA061811 Paris AFP in Spanish 1638 GMT 6 Dec 79 PA

[Text] Lima, 6 Dec (AFP)--Peruvian Economy and Finance Ministry employees began a 48-hour strike today, while judiciary branch employees went into their second day of an indefinite strike. These social conflicts are in addition to the strike called by employees of the Telecentro enterprise, which prepares Peruvian television programs. Their strike was called for economic reasons.

The Economy and Finance Ministry employees have accused Minister Javier Silva of being intransigent and called the strike to demand payment of a Christmas bonus, as is customary in private business. The workers also want improved job classifications, job stability, higher salaries and the reinstatement of dismissed workers.

Administrative employees of the judiciary branch, on the other hand, have been staging several work stoppages, demanding a substantial salary increase and improved working conditions. The 800 Telecentro workers are protesting because they have not received their November paychecks because the firm has no funds.